

February 12, 2008

To: Selected Media

For Immediate Release

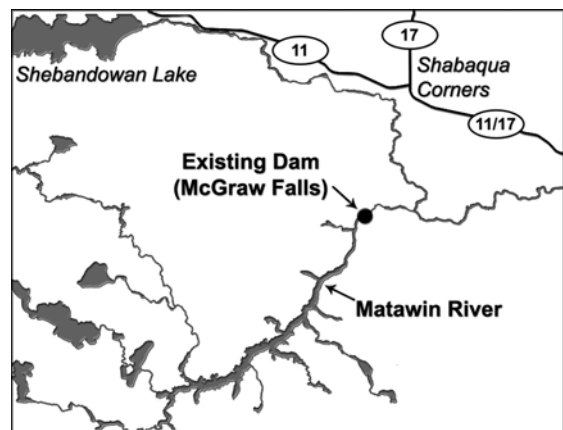
Proposed hydro project aims to be low impact

Acting on the Province's need for more sources of clean, renewable energy, the first of many steps has been taken toward the commissioning of a waterpower generating facility about seven kilometres south of Shabaqua Corners (50 km east of Thunder Bay) in Northwestern Ontario.

Interested parties attending a **February 26 information open house at Thunder Bay's Valhalla Inn** will hear that, if it proceeds, the McGraw Falls project offers significant economic opportunity for the region with an estimated 20,000 person hours of work and \$2-\$3 million in local spending on goods and services.

Awarded Applicant of Record Status by the Ministry of Natural Resources, McGraw Falls Water Power, a subsidiary of Xeneca Power, of Mississauga, is now proceeding with the next level of intensive consultation with local and regional stakeholders. Xeneca President Patrick Gillette notes that surveying, engineering studies, environmental impact assessments and permitting must all be completed to ensure the project minimizes impacts on the environment and other users and maximizes the benefits of resource.

"There are certainly a number of natural features in the area, and we are convinced that we can maintain and likely enhance them as we proceed with this project," Mr. Gillette observes.



The existing weir structure on the site, built about 70 years ago, created wetlands upstream that supports a population of waterfowl and other species. Studies indicate that the existing structure may not be optimal for some of these environmental features, and Xeneca officials believe their project can be built in a manner that will stabilize water levels. Improved water control can help to maintain or even enhance the wetland habitat while generating a modest 1.5-2 megawatts of electricity during times of peak demand.

Fish habitat is also of significant interest adds Mr. Gillette pointing out the proposal to build on top of the existing structure will minimize impacts on the aquatic ecosystem both upstream and downstream. A relatively small penstock delivering water to the powerhouse will have to be built. Xeneca is committed to constructing and operating these structures to have as low of an impact as possible both visually and environmentally.

"We will be holding information sessions. We're looking for people's input and ideas. Our process is intended to be open, transparent and accountable," adds Mr. Gillette.

-30-

For more information contact Leah Deveaux of ORTECH Power at (905) 822-4120 ext. 305/Fax: (905) 855-0406